

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
MARCH 11, 1993, 9:00 AM EST

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, January 14, 1993. Members present were Messrs. W. Paul Wolf, presiding, Anthony Zaleski, Jr., Norman Lowery, Douglas Grant, and Mrs. Dee Godme. Also present from the Department were Director Charles W. Phillips, John E. Simmonds, Deputy Director; J. Philip Goddard, Legal Counsel; James M. Cooper, Administrative Assistant, Mergers and Acquisitions; Randall L. Rowe, Bank Supervisor; Kirk J. Schreiber, Bank Analyst; Mark K. Powell, Supervisor, Credit Unions; Robert E. Haler, Supervisor, Non-Depository Institutions; Maurice V. Beavers, Field Supervisor, Consumer Credit Division; Mark P. Tarpey, Division Coordinator, Consumer Credit Division; Terry Duga, Attorney General's Office; and Ronda K. Bailey, Secretary. Messrs. Leitch and Hasten were absent.

I. **EXECUTIVE SESSION**

- A.) Mister Norman's Furniture Company, Inc., East Chicago, Indiana
- B.) Hoosier Auto Sales, Anderson, Indiana

This information is confidential as provided in IC 28-1-2-30. This aspect of the Executive Session is authorized by IC 5-14-1.5-6(b)(6).

II. **PUBLIC SESSION**

- A.) Attendance
- B.) Mr. Anthony Zaleski Jr. was administered the oath of office by J. Philip Goddard to serve as a Member for the Department of Financial Institutions.
- C.) Date of next meeting: April 8, 1993, at **9:00 a.m. EST.**
- D.) A motion was made for approval of the minutes of the meeting held January 14, 1993, by Mr. Lowery, and seconded by Mrs. Godme. The minutes were unanimously approved.
- E.) Action taken under executive session:
 - 1. Mr. Lowery made a motion which was seconded by Mr. Grant to advise the office of the Attorney General to pursue compliance with the Uniform Consumer Credit Code by issuing an administrative subpoena to Mister Norman's Furniture Company Inc., of East Chicago, Indiana for the production of its records for purposes of conducting a proper examination and to allow entry of the department's examiners onto the premises for purposes of ascertaining compliance with state law. The Attorney General's Office is authorized to seek enforcement of the subpoena by a court of proper jurisdiction if the subpoena results in non-compliance. This motion was passed unanimously

2. A motion was made by Mr. Lowery and seconded by Mr. Grant to authorize the Office of the Attorney General to pursue compliance with the Uniform Consumer Credit Code in making proper records available to the department for purposes of conducting a proper compliance examination of Hoosier Auto Sales, Anderson, Indiana. This motion was passed unanimously.

DIVISION OF BANKS AND TRUST COMPANIES

1.) **COMMUNITY TRUST and INVESTMENT COMPANY, INC., GREENCASTLE, PUTNAM COUNTY, INDIANA**

An application was filed by Robert D. West as incorporator of Community Trust and Investment Company, Inc. pursuant to IC 28-1-2-22 for approval to form a state-chartered trust company. The application was received by the Department on January 12, 1993. The proposed trust company would be a pure, non-depository trust company. The Trust Company proposes to offer personal trust, investment management, financial planning, and other customary trust services. The Trust Company will operate two offices. The main office will be located at 15 West Franklin Street, Greencastle, Putnam County, Indiana. A branch office will be located at 118 East Main Street, Crawfordsville, Montgomery County, Indiana. The organizers of the trust company are Robert D. West, Chairman of the Board and President, Jerry L. Williams, Vice President, Trust Officer, and Secretary, and Kenneth J. Newnum, Vice President, Trust Officer, and Treasurer. Bank Analyst Kirk J. Schreiber reviewed the application with the Members and explained the proposed structure of the transaction and all relevant financial and factual data. It was the opinion of the staff that the requirements of IC 28-1-2-22 had been satisfied. A motion for approval was made by Mr. Grant and seconded by Mrs. Godme. The application was unanimously approved subject to the following conditions:

- 1.) **Total paid in capital of at least \$750M;**
- 2.) **No dividends shall be paid during the first five years unless specifically approve by the Director of the Department**
- 3.) **Any substantial change in the scope of business from that described in the application must be approved by the Department.**

OLD NATIONAL BANCORP, EVANSVILLE, VANDERBURGH COUNTY, INDIANA

- 2.) An application was filed by Old National Bancorp pursuant to IC 28-2-14 for approval to acquire control of DCB Corporation, Jasper, Dubois County, Indiana, and thereby acquire its bank subsidiary, Dubois County Bank, Jasper, Dubois County, Indiana. The application was received by the Department on February 3, 1993, and accepted for processing on February 17, 1993. Bank analyst Kirk Schreiber presented all financial and factual information concerning this transaction and conveyed to the members the fact that the application was in order and that it was the opinion of the staff that all legal requirements for this transaction had been met. The required publications were made in Vanderburgh County, Indiana, Indiana on February 24, 1993, and in Dubois County, Indiana on February 22, 1993. A motion for approval was made by Mrs. Godme and seconded by Mr. Lowery. The acquisition was unanimously approved.

DIRECTOR'S COMMENTS AND REQUESTS

A.) **UNITED SOUTHWEST BANK, WASHINGTON, DAVIESS COUNTY, INDIANA**

Pursuant to the policy adopted by the Members of the Department of Financial Institutions on August 13, 1987, United Southwest Bank notified the Department on February 26, 1993, that they intend to form a wholly-owned bank subsidiary to be known as USB Insurance Affiliates, Inc. USB Insurance Affiliates, Inc., and will solicit and write insurance as an agent or broker for an Insurance Company authorized to do business in the State of Indiana, other than a Life Insurance Company. This item was for informational purposes only.

B.) Director Phillips updated the Members of pending legislation which the Department has sponsored and promoted for this session. The Members were given an overview of the contents of the bills and the provisions which are of major concern.

C.) Director Phillips also recommended to the Members that former Member Gene Deutsch be recognized for his years of loyal service by the adoption of a resolution. This will be drafted and presented for consideration at the next Members meeting.

D.) The Director advised the Members of actions taken pursuant to delegated authority, which were as follows:

DIVISION OF BANKS & TRUST COMPANIES

1. **A. G. EDWARDS TRUST COMPANY, ST. LOUIS MISSOURI**

An application has been filed by A. G. Edwards Trust Company for admission as a Foreign Corporation in the State of Indiana in accordance with the provisions of IC 28-1-22. The request was approved by the Director under delegated authority on January 14, 1993.

2. **FOWLER STATE BANK, FOWLER, BENTON COUNTY, INDIANA**

The bank has requested permission to decrease the amount of the reserve attributed to a sub-investment quality bond held by the institution. The request was approved by the Director under delegated authority on January 14, 1993.

3. **STAR FINANCIAL BANK, COLUMBIA CITY, WHITLEY COUNTY, INDIANA**

The bank has requested permission to decrease the amount of the reserve attributed to two sub-investment quality bonds held by the institution. The request was approved by the Director under delegated authority on January 14, 1993.

4. **JASPER STATE BANK, JASPER, DUBOIS COUNTY, INDIANA**

The bank has submitted a request for permission to establish a branch banking office to be located at U.S. Highway 231 North (Newton Street) Jasper, Dubois County, Indiana. The branch location is approximately 250 feet north of the intersection of U.S. 231 North (Newton Street) and 36th Street on the east side. The request was approved by the Director under delegated authority on January 29, 1993.

5. **CENTIER BANK, WHITING, LAKE COUNTY, INDIANA**

The bank has submitted a request to relocate its Chesterton North Branch Office from 709-1 Plaza Drive, Chesterton, Porter County, Indiana, to 709-8 Plaza Drive, Chesterton, Porter County, Indiana. The request was approved by the Director under delegated authority on January 29, 1993.

6. **BANK OF GENEVA, GENEVA, ADAMS COUNTY, INDIANA**

The bank has requested approval of a proposed amendment to their Articles of Incorporation. The amendment would increase the authorized shares of common stock from 183,500 shares to 195,500 shares. The request was approved by the Director under delegated authority on February 3, 1993.

7. **LAKE CITY BANK, WARSAW, KOSCIUSCO COUNTY, INDIANA**

The bank has submitted a request to establish a branch banking office to be located at 862 East Beardsley Avenue, Elkhart, Elkhart County, Indiana. The request was approved by the Director under delegated authority on February 3, 1993.

8. **THE RANDOLPH COUNTY BANK, WINCHESTER, RANDOLPH COUNTY, INDIANA**

The bank has submitted a request for permission to relocate the drive-up portion of the main office which is located at 122-124 West Washington Street, Winchester, Randolph County, Indiana, to a temporary drive-up facility which will be located in the main office parking lot directly across the street from the main office at 109 North Meridian Street. The request was approved by the Director under delegated authority on February 15, 1993.

DIVISION OF CREDIT UNIONS

1. **JET CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

1. Greenbriar Athletic Club - Indianapolis - 37 members
2. J&B Associates - Bloomington - 2 members
3. Ikelite usa underwater systems - Indianapolis - 52 members
4. H&H Tire, Inc. - Mooresville - 3 members
5. Advanced Design Hair Styling - Plainfield - 6 members
6. Yearly's Painting - Arcadia - 4 members
7. Metropolitan C.E.O., Inc. - Indianapolis - 25 members
8. TRW Redi Property Data - Indianapolis - 8 members
9. Direct Express Trucking - Indianapolis - 5 members
10. 10. Better Living Systems - Greenwood - 5 members
11. 11. Statewide Credit Assn., Inc. - Indianapolis - 37 members
12. The request was approved by the Director under delegated authority on December 11, 1992.

2. **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation.

This amendment would place the following organizations into the field of membership of the credit union:

1. E.R. Carpenter Co., Inc. - Elkhart - 550 members
2. L.K. Schrock & Sons, Inc. - Elkhart - 5 members
3. Shaklee Independent Distributors - Indianapolis - 2 members
4. Wal Mart Optical Laboratory - Crawfordsville - 95 members
5. ACA Calumet, Inc. - Merrillville - 185 members
6. Southwestern Michigan College - Dowagiac - 400 members
7. Brey, Inc. - South Bend - 11 members
8. Hoosier Truck Services, Inc. - South Bend - 12 members
9. Acappella Accents - Mishawaka - 2 members
10. 10. Dammann's Lawn and Garden Center, Inc. - Indianapolis - 30 members
11. 11. Indiana Black Expo, Inc. - Indianapolis - 16 members

The request was approved by the Director under delegated authority on December 21, 1992.

3. **PERFECT CIRCLE CREDIT UNION, HAGERSTOWN, WAYNE COUNTY, INDIANA**

Request for approval of an application to purchase approximately 2.59 acres of vacant land at 650 Progress Drive, Richmond, Indiana and establish a branch office of the Credit Union at that site. The request was approved by the Director under delegated authority on January 11, 1993.

4. **WABASH COUNTY FARM BUREAU CREDIT UNION, WABASH, WABASH COUNTY, INDIANA**

Request for approval of an application to purchase approximately 1.00 acres of vacant land at 820 N. Broadway Street, Peru, Indiana and establish a branch office of the Credit Union at that site. The request was approved by the Director under delegated authority on January 13, 1993.

5. **JET CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

1. Wood Creations - Indianapolis - 4 members
2. Indy Trades, Inc. - Indianapolis - 8 members
3. Accommodata - Indianapolis - 46 members
4. Riverside Stone Shop - Indianapolis - 10 members
5. Berman & Associates - Indianapolis - 6 members

The request was approved by the Director under delegated authority on January 25, 1993.

6. **NICKEL PLATE INDUSTRIAL CREDIT UNION, FRANKFORT, CLINTON COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

1. Gardner Contracting, Inc. - Frankfort - 8 members
The request was approved by the Director under delegated authority on January 28, 1993.

7. **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Request for approval of a petition for approval of Proposed Amendment to the Articles of Incorporation.
This amendment would place the following organizations into the field of membership of the credit union:

1. MCM Enterprises, Inc. - Crawfordsville - 300 members
2. Chisholm Lumber & Supply Co., Inc. - Indianapolis - 27 members
3. St. Peter's First United Church of Christ - Huntington - 700 members
4. Michiana Internal Medicine Assoc., P.C. - South Bend - 11 members
5. Warsaw Housing Authority - Warsaw - 3 members
6. Houston Companies, Inc. - Crawfordsville - 36 members
7. South Bend Freight Line, Inc. - South Bend - 155 members
8. Copy Tech, Inc. - South Bend - 7 members
9. M. and S. Management Co., Inc. - South Bend - 85 members
10. South Bend Cartage, Inc. - South Bend - 2 members
11. Miller Builders, Inc. - Granger - 5 members
12. Miller's Merry Manor of Syracuse - Syracuse - 59 members
13. First Christian Church (Disciples of Christ) - South Bend - 440 members
14. Michiana Delivery Service - South Bend - 50 members
15. Lake Station Community Schools - Lake Station - 200 members
16. Foley's Jewlers - Rochester - 4 members
17. David A. Lehman D.D.S., M.S.D., Inc. - Goshen - 5 members
18. Garden Homes by E.L., Inc. - South Bend - 12 members
19. Bravo! - Mishawaka - 4 members
20. Neighborhood Housing Service - South Bend - 2 members
21. Alan E. Corns, D.D.S. - Valparaiso - 5 members
22. Coca-Cola Bottling Co., Inc. (S.B. Div.) - South Bend - 75 members
23. Indiana Supermarkets, Inc. - Mishawaka - South Bend - 200 members
24. Better Products, Inc. - Elkhart - 180 members
25. Port-to-Port Communications Corp. - Indianapolis - 3 members
26. OMC Aluminum Boat Group, Inc. - Syracuse - 317 members
27. South Bend Norrell Services - South Bend - 150 members

The request was approved by the Director under delegated authority on February 02, 1993.

8. **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation.
This amendment would place the following organizations into the field of membership of the credit union:

1. The Walnut Grove Mutual Housing Corp. - South Bend - 7 members
2. Tri Lakes Container - Warsaw - 15 members
3. Mitchell, Inc. - Elkhart - 8 members
4. O/C Tanks Corp. - Valparaiso - 76 members
5. D.B. & Company/The Electric Beach - Huntington - 10 members

6. Reasoner Financial Resources, Inc. - Elkhart - 3 members
7. Dr. N. W. Worden, P.C. - Mishawaka - 5 members
8. Rush Money Corp. - Greenwood - 5 members
9. Bertsch Foodservice - Warsaw - 325 members

The request was approved by the Director under delegated authority on February 23, 1993.

9. **ARVIN G&F CREDIT UNION, FRANKLIN, JOHNSON COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Any Arvin Industries employee at the following Indiana plants:

1. Greenwood
2. Franklin
3. Columbus
4. Walesboro
5. North Vernon
6. Greenfield
7. Kingsbury

The request was approved by the Director under delegated authority on February 24, 1993.

10. **JET CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

1. Advantage Plus - Indianapolis - 14 members
2. Trucker's Confederation of America, Inc. - Indianapolis - 2 members
3. American Advantage - Indianapolis - 120 members
4. Career Horizons, Inc. - Indianapolis - 35 members
5. James Chiropractic Clinic - Indianapolis - 5 members
6. Payroll 1 - Indianapolis - 15 members
7. Priority Mailing Services, Inc. - Indianapolis - 12 members
8. Universal Flavors Corp. - Indianapolis - 260 members
9. Emergency Networks, Inc. - Indianapolis - 51 members
10. Micro Service Group - Indianapolis - 2 members
11. Northwest Chiropractic - Indianapolis - 4 members
12. Van's Carburetor & Electric, Inc. - Indianapolis - 50 members
13. Four Points Development Corp. - Indianapolis - 12 members
14. Frank's Liquor, Inc. - Indianapolis - 5 members
15. Community Healthcare - Indianapolis - 40 members

The request was approved by the Director under delegated authority on

February 24, 1993.

11. **KEMBA (INDIANAPOLIS) CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

1. Structural Adhesive Co., Inc. - Indianapolis - 10 members
2. Batts Construction, Inc. - Indianapolis - 11 members
3. Hoosier Snacks Distributing, Inc. - Indianapolis - 12 members

The request was approved by the Director under delegated authority on February 25, 1993.

DIVISION OF CONSUMER CREDIT

1. A request for a Lenders License was made by First Capital Investment Inc. The license is to be located in Indianapolis, Indiana. The applicant has qualified to do business in Indiana and received a certificate of existence from the Indiana Secretary of State on February 2, 1990. The request was approved by the Director on January 19, 1993.
2. A request for a Lenders License was made by Heights Financial Corporation. The license is to be located in Michigan City, Indiana. The applicant has qualified to do business in Indiana and received a certificate of existence from the Indiana Secretary of State on October 9, 1992. The request was approved by the Director on January 22, 1993.
3. A request for a Lenders License was made by The Peoples State Bank of St. Joseph, Michigan. The license is to be located in St. Joseph, Michigan. The bank wishes the loan license in the event they would want to make home equity loans to Indiana residents. These loans may be closed in Indiana. The bank is asking for the loan license in conjunction with the purchase of Harbor Country Banking Company from Lincoln Financial Corporation of Fort Wayne, Indiana. The Financial Services, Inc. This is the parent company for the Bank. The bank has been operating in Michigan since 1932. The request was approved by the Director on January 25, 1993.
4. A request for a Pawnbroker License was made by Lawrence Pawn & Trading Co, Inc. The license is to be located in Lawrence, Indiana. The request was approved by the Director on February 8, 1993.
5. A request for a Pawnbroking license by Red's Pawn Shop. The license is to be located in Mishawaka, Indiana. Applicant is currently licensed for a pawn shop in South Bend, Indiana under the same name. Mr. Krupnik is purchasing the pawn shop from Mr. Ken Parritt. Mr. Parritt is currently licensed at the address in Mishawaka. This is under Pawnbroking License #186, Ken's Discount Sale. The request was approved by the Director on February 19, 1993.

6. A request for three Pawnbroker Licenses by Cash America Pawn of Indianapolis, Inc. The licenses are to be located in Indianapolis. Cash America is the largest pawnshop operator in the world with 226 stores in eight states and 26 stores in Great Britain. The request was approved by the Director on March 1, 1993.
7. A request for Lenders License by Harbor Financial Group, Ltd. The license is to be located in Calumet City, Illinois. Loans will be to Indiana residents and will be closed by local attorneys or title companies in Indiana. They have been licensed in Illinois since 1987. The request was approved by the Director on March 2, 1993.
8. A request for Pawnbroker License by Merrillville Loan, Inc. The license is to be located in Merrillville, Indiana. The request was approved by the Director on March 2, 1993.
9. A request for a Lenders License by American General Finance Commercial Corporation. The license is to be located in Evansville, Indiana. The loans will be made to employees of American General's various corporation/subsidiaries. The new licensee is wholly owned by American General Finance Corporation. This entity presently hold a consumer loan license under #1044. The request was approved by the Director on March 4, 1993.

APPROVED:

ATTEST:

Mark Hasten, Chairman

J. Philip Goddard, Secretary